

British Broadcasting Corporation BBC Worldwide Press Office
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**BBC Worldwide's profit up 36.5% to £145.2m
£151.1m reinvested back into the BBC to support the licence fee**

5 July 2010: BBC Worldwide Ltd, the commercial and wholly owned subsidiary of the British Broadcasting Corporation (BBC), today published its Annual Review for 2009/10.

The company saw revenues rise by 7% to £1074m in the 12 months to 31 March 2010, exceeding the £1bn mark for a second year. Six of BBC Worldwide's seven operating divisions grew sales, despite difficult trading conditions in many markets. Operating profits increased 36.5% to £145.2m, with double-digit profit growth in five divisions.

BBC Worldwide also delivered increased dividend payments to the BBC of £73.6m (2008/09: £68.4m). This helped lift the overall cash return to the BBC to more than £150m for the second year running.

Announcing the results, John Smith, Chief Executive of BBC Worldwide, said the full year figures reflected a very strong performance in spite of difficult conditions in some markets.

"Today's figures, with profits up by 36.5%, demonstrate that our strategy is working. As well as developing into a diversified global media business and extending the international visibility of the BBC brand, the company is delivering a strong financial performance. BBC Worldwide continues to give consumers around the world more and more content from the BBC and other British production companies. This allows us to re-invest in more great content and return more cash to our parent organisation, the BBC."

BBC Worldwide continued to make good progress in its strategic objectives:

- Sales generated overseas rose from 51.3% to 54.6% of the total (target- two thirds by 2012, from 46% in 2006);
- Revenues from digital businesses on a like for like basis rose from 4.6% to 5.5% (target - 10% by 2012, from 1% in 2006);
- The rollout of BBC-branded channels continued and sales and profits from Channels rose by 16.4% and 34.2% respectively year on year.
- A strong overseas format business has helped sales from Content & Production grow by 10.7% and profits by 4.8%.

Further highlights in the year included:

- The top five programme brands around the world were *Top Gear*, *Life*, *Planet Earth*, *Being Erica* and *Doctor Who*;
- The launch episode of the most recent series of *Doctor Who* attracted 1.2m viewers for BBC America post year end - its biggest-ever audience;
- The Robbie Williams Electric Proms concert was broadcast to over 250 cinemas across 23 countries, setting a new Guinness World Record for the most simultaneous cinematic screenings of a live concert;
- Lonely Planet's digital business grew strongly, up 37.2% producing 22.1% of total revenue;
- BBC.com has seen a significant 41.7% growth in revenues year on year and has 54.2m unique users

John Smith added: "*BBC Worldwide once again demonstrated the depth of its businesses and its financial strength in a difficult year for the entire industry by lifting revenues beyond a billion pounds for a second year and maintaining our returns to the BBC above £150m,*"

Robert Webb, Chairman of BBC Worldwide, said: "*Our underlying aim is to give the best possible return to licence fee payers to deliver a real benefit to the UK's creative economy. To that end, we have invested more than £1bn through payments to the BBC, independent production companies, writers and actors since 2004/05. We hope, as the next year develops, to continue to be of value to the UK, to the BBC and to all who enjoy what we do.*"

Mark Thompson, Director-General of the BBC, commented: "*BBC Worldwide continues to contribute significantly to the BBC through its overall returns and dividend and what is clear from this outstanding year of success is that the global appetite for outstanding British content is greater than ever before.*"

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NOTE TO EDITORS

BUSINESS HIGHLIGHTS

Channels

- The international network of 41 TV channels saw double-digit percentage growth in sales and profits year on year (16.4% and 34.2% respectively)
- BBC America had its best-ever ratings and the channel has grown its distribution to 67.1m homes. BBC America HD launched in July 2009
- During the year the channels won over 30 creative editorial awards between them, including a News & Documentary Emmy and two Peabody awards for the *BBC World News America* programme

Content & Production

- Excellent profits from TV formats such as *Dancing with the Stars* continued. The tenth series of this show was made by our own production arm in Los Angeles for ABC. It aired to a record first-night audience and the finale was seen by 18m
- Investments in start-up production companies in recent years have resulted in successful commissions such as *Being Erica*, and the BAFTA award winning *Misfits* and *Wallander*

Digital Media

- Revenues from digital activities grew by 9% and losses narrowed
- Apps for the iPhone were launched by brands such as *BBC Good Food* and *Radio Times*

Global Brands

- There was growth across all four major global brands – *Top Gear*, *Doctor Who*, *BBC Earth* and *Lonely Planet*
- Lonely Planet moved back into profit, in spite of the travel market remaining challenging, after a period of significant digital investment
- Top Gear's '*Where's Stig*' took the No 1 spot in the Sunday Times non-fiction hardback book Christmas chart, selling an estimated total of 350k copies

Sales & Distribution

- The top five programme brands sold internationally were *Top Gear*, *Life*, *Planet Earth*, *Being Erica* and *Doctor Who*
- Net profit in Sales & Distribution rose 26.4% year on year following growth in the digital customer base and continuing demand for quality content

Home Entertainment

- 2 entertain contributed £38.2m in profit following the acquisition of Woolworths' remaining 40% stake
- Top-selling titles in the UK were David Attenborough's *Life* series, *Gavin & Stacey* Series Three and *Gavin & Stacey The Complete Collection*, *Only Fools and Horses The Complete Collection* and *Clarkson Duel*.

Magazines

- Magazines held sales steady and increased profits against a tough market backdrop following a successful cost-reduction programme early in the year
- The business now has a subscriber base of 940,000

Outlook

- Being a well spread portfolio business, BBC Worldwide is able to offset the impact of pressures in one market by capitalising on better conditions in others
- The market for quality TV content remains strong and the amount of TV watched in mature markets such as the US continues to increase